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DEPARTMENT OF STATE

Memorandum of Conversation
Telephone

DATE: July 1, 1954
3:00 p.m.

SECRET

SUBJECT: Guatemalan Situation

PARTICIPANTS: American Ambassador Whiting Willauer - Tegucigalpa, Honduras
Assistant Secretary Henry F. Holland

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Mr. Holland reported that the peace talks in San Salvador between Castillo Armas and Monzon broke down this morning. Ambassador McDermott had reported that the two fellows were each stubborn. Ambassador Peurifoy was on his way there and we were making every effort to keep the two principals there so the talks could go on. Monzon definitely was still there and they thought that Castillo Armas was too. Mr. Holland asked Ambassador Willauer to establish contact at the airport and, if by any chance Castillo Armas should leave Salvador and go through his area, it would be desirable for Ambassador Willauer to have an effort made to persuade him to go back to Salvador for another bite at the apple so that Ambassador Peurifoy could talk to them. In reply to the Ambassador's question Mr. Holland said that it would be all right for him to talk to Castillo Armas directly. Mr. Holland said he did not want Ambassador Willauer to go to Salvador since Ambassador Peurifoy would be there. Ambassador Willauer said he mentioned it because he thought he might have more influence with Castillo Armas than Ambassador Peurifoy.

Mr. Holland told the Ambassador to look for a message to his friends across the way telling them to look for the arrival of a man and to hold him readily available for any instructions that might be sent to him; also for the man to be ready if it should be necessary for him to jump across or to help Ambassador Willauer in persuading Castillo Armas. Ambassador Willauer said the man had arrived and he would have a conversation with him.

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